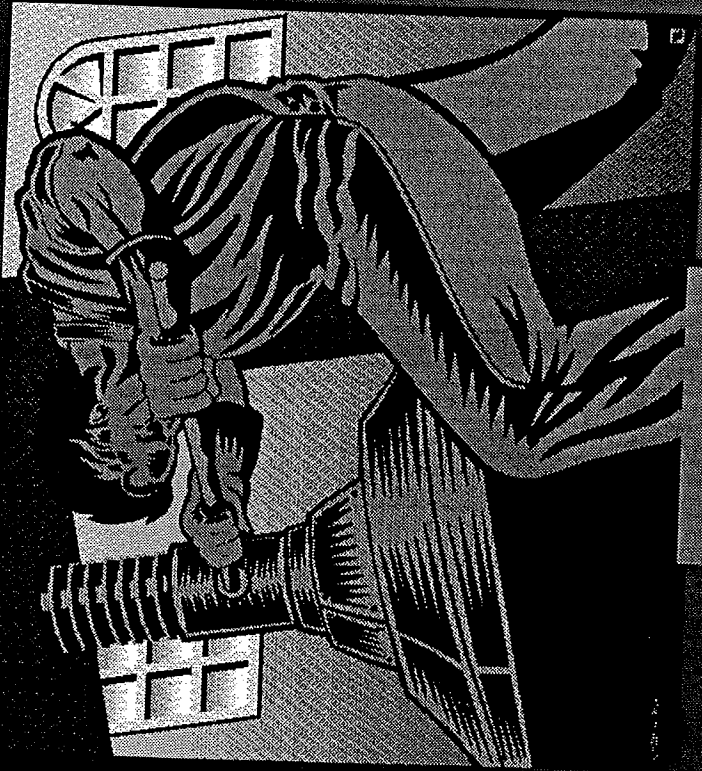


Dow Service for
Chris

40,550
4,100
12,500
23,434
25,000
3,000
35,000
50,000
36,000
<hr/>
226



WAIS Inc. Power Publishing

Wide Area Information Servers Inc.
© 1995, Proprietary & Confidential



Mission

To be the leader in delivering published content on the Internet using WAIS, Inc. software products and production services



Management Team

- ◆ **Brewster Kahle: CEO**
WAIS Founder
Wide Area Information Server Project Leader—Thinking Machines, KPMG, Apple, Dow Jones
Founding Engineer—Thinking Machines
- ◆ **Bill Dunn: Director**
Senior VP America Online
Former President, Dow Jones Information Services
Wide Area Information Server Project
Multimedia Publishing, Emerging Technologies
- ◆ **Bruce Gilliat: Vice President Sales & Mktg**
VP Sales—Fibronics International
National Account Manager—AT&T Information Systems
Technical Consultant—Pacific Telephone
- ◆ **John Duhring: Vice President Business Development**
On-line services consultant: Apple Computer, Dow Jones and others
General Manager—Supermac Software
Publishing Evangelist—Apple Computer
Acquisition Editor—Prentice Hall
- ◆ **Nick Scharf: Vice President, CFO**
Software Technology CFO and Business Consultant
CFO—VisiCorp, CopyMat
Controller—Tandem Computers
Arthur Andersen & Co



Management Team (cont.)

- ◆ **Jean Christofferson, Director of Computer Operations**
Ensemble Founder
Venture Solutions Founder—CICS, SNA network solutions for Hambrecht and Quist, Visa, Pacific Coast Stock Exchange
Stratus Systems & Others—world-wide CICS networks
- ◆ **Keira Bromberg, Development Manager (acting)**
Product Manager—WAIS-CMP Internet Publishing Project
New Products Manager, Production Planner, Marketing Specialist, Software Development Manager—Thinking Machines
- ◆ **Meikle Syme Hall, Production Services Manager**
Vice President of Production—Varied Directions International
Production Coordinator—Bell One Productions
Production Coordinator—Four Corners Productions



Publishing in Transition

- ◆ More publications
- ◆ Fewer readers per publication (avg.)
- ◆ New players (e.g. CNN, USA Today)
- ◆ New Technologies: CD-ROM, Online

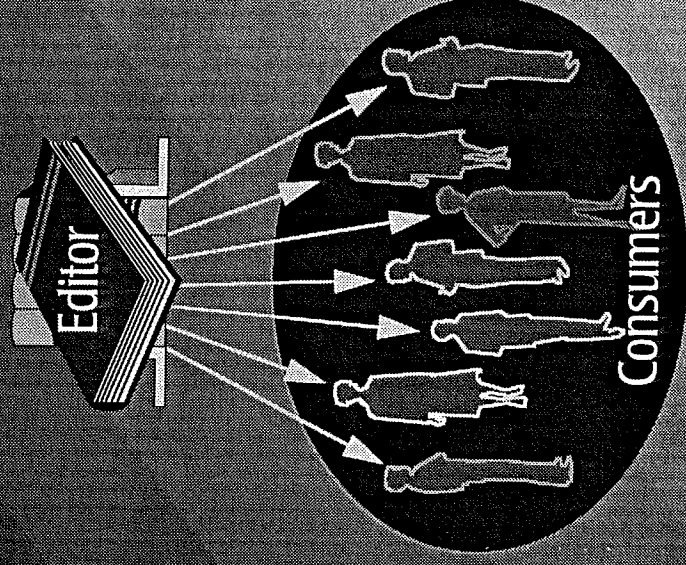
New opportunities in online publishing market



Publishing Evolution

Pre-Electronic: Printed documents

- ◆ Editors push content to classes of customers
- ◆ Editors set schedules
- ◆ Same content for all
- ◆ Limited research capability

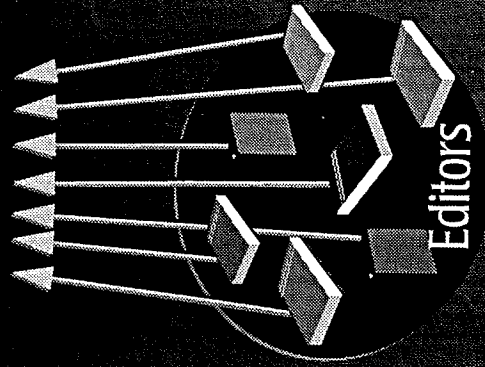




Publishing Evolution (cont.)

Early-Electronic—Consumer pull

- ◆ On consumers schedule
- ◆ Navigation by the consumer



Mainframe Technology:

Consumer AOL; Research Dialog

Internet Technology:

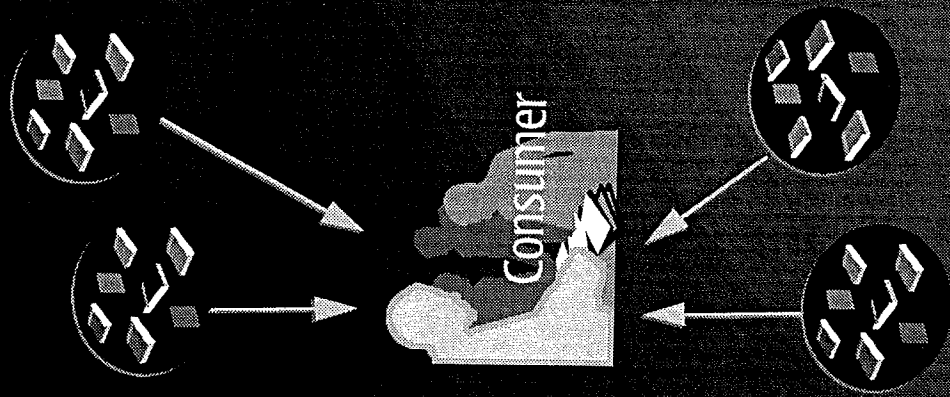
Web Browsing; Web Billboards



Publishing Evolution (cont.)

Maturing Electronic Publishing: Information Aggregation

- ◆ Access to multiple sources
- ◆ Browsing AND research
- ◆ Publishers look-and-feel

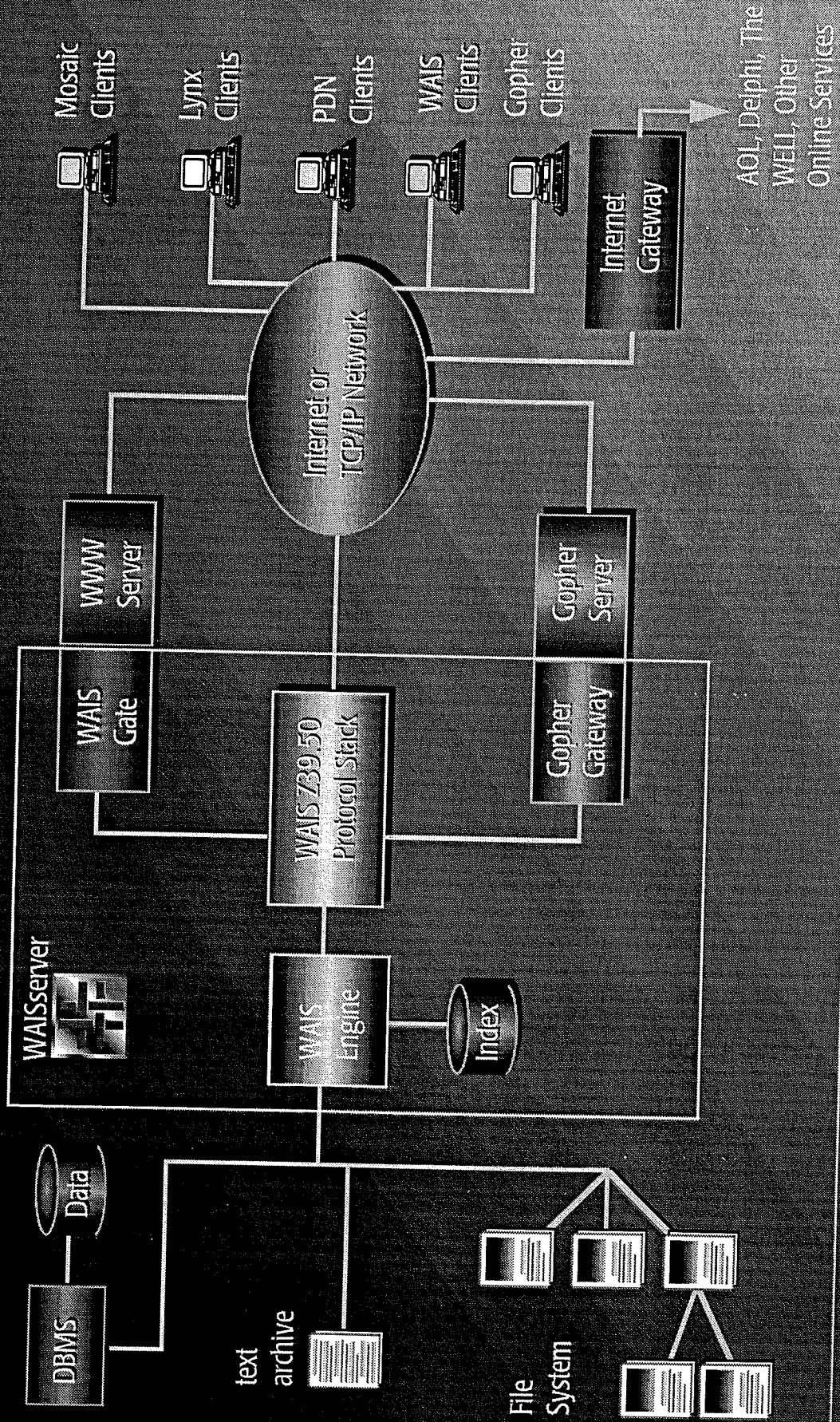


Web Services: Engine behind the Interface

Agents deliver content in users context



Product





Production Services

Complete Solutions

- Billing
- Registration
- Content Alerting
- Online advertising
- Letters to the editor
- Chat with columnist
- Audio and video clips
- Intelligent client/agent
- Frequently asked questions
- Time sensitive content expiration

Integrated Elements

Customer Data

WAISserver

WWW Server

Client



Getting to Market

Products

- ◆ Telesales
- ◆ VARS- Fujitsu, Spriy, KPMG, Netscape, EDS, DEC
- ◆ OEM - Intel, Fulcrum, Conquest
- ◆ Federal - Product & integration: GILS, Z39.50
- ◆ Proliferate WAIS, Inc. name brand through ubiquity

Production Services

- ◆ Publishers
- ◆ Fortune 500 publishing partners - name brand awareness
- ◆ The "modules" make the difference
- ◆ Revenue Sharing



Getting to Market (cont.)

Packaged WAIS, Inc. Content Products

- ◆ Agent-based products promote client loyalty
- ◆ Agent can provide incentive for content providers to partner
 - Encyclopaedia Britannica
 - National Geographic
 - Discovery Communications
- ◆ Potential for WAIS, Inc. “cross-provider” agreement to promote theatres of interest
- ◆ Concept is “*Content in the Consumer’s Context*”



Customers

Boeing Computer Servic
Cambridge Scientific Abstracts
Chicago Tribune
CMP Publications
Colgate-Palmolive
ConQuest Software
Curtin University of Technology
Defense Technical Information Center
Delphi Internet Services Corporation
Department of Energy
Dow Jones & Company
Draper Laboratories
EG & G Idaho, Inc.
Eisenhower National Clearinghouse
Encyclopaedia Britannica
Environmental Protection Agency
Fulcrum Technologies
Georgetown University
House of Representatives
Intel Corporation
Internet Shopping Network

KPMG
Lawrence Livermore National Labs
Library of Congress
Loral Federal Systems
Los Alamos National Laboratory
Martin Marietta
Mickels Corporation
Mitre Corporation
Moscow State University/RED Lab
NASA - Goddard Space Center
NASA - Johnson Space Center
NASA - Linticum
National Archives of the United States
National Center for Manufacturing Sciences
National Science Foundation
National Technical Information Service
New York Law Publishing Company
New York Times
Nippon Telephone & Telegraph (NTT)
Novell, Inc.
Pacific Bell
Perot Systems

Reuters New Media
Rice University
San Francisco News Agency
Sandia National Lab
Science Applications International Corp
Science University of Tokyo
Sports Network
Stanford University
Sun Microsystems
The Analytic Science Corporation
U.S. Air Force
U.S. Army
U.S. Dept of Navy
U.S. Geological Survey (USGS)
U.S. Government Printing Office
U.S. Navy
U.S. Senate
University College of London
University of Tennessee
West Publishing Corporation
World Bank



Current Competition

Product: Search Engines

- ◆ Stand-alone: Excalibur
- ◆ Web Enabled: Verity, PLS
- ◆ Z39.50 Enabled: BRS/Dataware, Architext
- ◆ "WAIS Enabled": Fulcrum, Conquest

Production Services:

- ◆ HTML Shops: Home Page Service
- ◆ Large Integrators: EDS, IBM, Andersen



Competition/Partners

Integrators

EDS

IBM

Andersen

KPMG

Providers

AOL

Compuserve

Prodigy

MS Marvel

Publishers

Time Warner

DowJones

Mead Data

Dialog

Software

Excalibur

Verity

PLS

BRS/Dataware

Architext

Fulcrum

Conquest

Netscape

PED

Individual



Status

- ◆ Revenue
 - FY 93 \$.4M
 - FY 94 \$1M
 - FY 95 \$3.6M
 - FY 96 \$12M
 - ◆ FY 95 Revenue
 - First Half \$1.6M
 - Backlog + \$1M
 - ◆ FY 95 Products
 - Server Release 2
 - Adding Publishing Components
 - Integrating Agent with Interactive Alerting
- 1st Server installations
2/3 Server Sales 1/3 Prod Svcs
1/2 Server Sales 1/2 Prod Svcs
Add royalties, maint., packaged content



Status (cont.)

◆ Services running at WAIS, Inc.

- CMP Publications
- Dow Jones & Co
- Intel Tech doc
- Scholastic Network

◆ Current Priorities

- Technical Hiring
- Marketing
- Partnering & Management Team

◆ Headcount (includes contractors in full time slots)

	Current:	By June 30:
• Marketing & Sales	8	10
• Production Services	5	8
• Washington Office	2	4
• Development	6	12
• Operations	2	4
• Administration	5	6
	<u>28</u>	<u>44</u>



Financial Forecast (millions)

	FY 95	FY 96	FY 97	FY 98	FY 99
Revenue	\$3.6	\$12	\$25	\$40	\$60
Pretax Income	\$.6	\$ 2.4	\$ 5.0	\$ 8	\$12



Financing Needs

Operating Capital

\$1,000,000

Expand Development

\$1,000,000

Product Acquisition/Expansion

\$2,000,000



Risks

- ◆ Execution
 - Evolve technology quickly enough—quality & breadth of solution
 - Management Team
 - Getting to Market—positioning product/partnering
- ◆ Market Evolution
 - Dominant closed system emerges—Marvel?
 - Internet collapses
 - Internet does not evolve security, commercial use, subscriber base, marketable content
- ◆ Competition
 - Systems Integrators: EDS, Andersen, KPMG
 - Information Providers: Time Warner, DowJones
 - Software Developers: Netscape, Verity, Fulcrum
- ◆ Financial—Funding



Unfair Advantages

- ◆ Customer partnerships in key markets
- ◆ Position in standards setting
- ◆ Ubiquity based on early entry